



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
ANDREW JACKSON BUILDING, 15TH FLOOR
500 DEADERICK STREET
NASHVILLE, TN 37243

July 28, 2006

Dear Therapeutic Services Provider:

The Centers for Medicare and Medicaid Services recently approved amendments to the Medicaid Home and Community Based Services (HCBS) waiver programs through which community services are provided to individuals with mental retardation. This letter will provide clarification regarding how Individual Support Plans (ISP's) and Cost Plans will be handled. A table of the waiver changes is enclosed. The most significant changes are listed below:

1. **Service Units:** There is a change in the service unit from "per 15 minutes" to "per day" for:

- Occupational Therapy Assessment and Plan Development
- Occupational Therapy Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment
- Physical Therapy Assessment and Plan Development
- Physical Therapy Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment
- Speech, Language, and Hearing Services Assessment and Plan Development
- Speech, Language, and Hearing Services Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment
- Orientation and Mobility Training Assessment & Plan Development

While the effective date of these changes resulting from the waiver amendments is July 1, 2006, we are unable to immediately make the changes needed to Cost Plans and electronic billing for these services.

During the 3rd week of September, the Information Technology staff of the Division of Mental Retardation Services will perform an electronic conversion of Cost Plans and the DMRS billing system retroactive to July 1, 2006, converting service units in approved Cost Plans and service units which have already been billed.

- For any ISP submitted to the Regional Office but not yet processed in the system before the date of the electronic conversion, the Regional Office will manually convert the Services and Supports section of the ISP to the new service units before entering the information into the DMRS Cost Plan and billing system. During the period April through June of 2007, providers may have to submit amended claims for July and August to reconcile any differences between the reimbursement for assessments based on the "per 15 minutes" service unit versus the "per day" service unit.
- For any ISP submitted to the Regional Office between the date of the electronic conversion and October 1, 2006, the Regional Office will manually convert the Services and Supports section of the ISP to the new service units before entering the information into the DMRS Cost Plan and billing system.

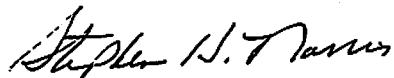
- All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service units for assessments.
2. **Service Limits:** Effective for dates of service on or after July 1, 2006, the waiver service definitions for the following services were amended to include certain service limitations:
- **Orientation and Mobility Training:**
 - Orientation and Mobility Training Assessment and Plan Development – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - Orientation and Mobility Training services other than assessments – The service recipient is limited to a maximum of 52 hours of services per calendar year.
 - **Physical Therapy:**
 - Physical Therapy Assessment and Plan Development – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - Physical Therapy Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - **Occupational Therapy:**
 - Occupational Therapy Assessment and Plan Development – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - Occupational Therapy Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - **Speech, Language, and Hearing Services:**
 - Speech, Language, and Hearing Services Assessment and Plan Development – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
 - Speech, Language, and Hearing Services Assessment and Plan Development for Assistive Technology/Specialized Medical Equipment – The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.

While this memo focuses on the process for handling changes resulting from the amendments to the Medicaid HCBS waivers, the same policies would apply to equivalent services state-funded by DMRS. The specific cost centers for the state-funded services, however, are not addressed in this memo.

July 28, 2006
Page 3

If you have any questions, you may contact Karen Wills at (615) 532-3063.

Sincerely,



Stephen H. Norris
Deputy Commissioner

SHN:wlm

Enclosure

CC:	Karen Wills	Adadot Hayes, M.D.
	Larry Latham, Ph.D.	Denine Hunt
	Joanna Damons	Pat Nichols
	Fred Hix	Kathleen Clinton
	Lucia Beiler	John Craven
	Barbara Charlet	Cate Newbanks
	Louis Moore, M.D.	Karen Carothers

Waiver Service	Cost Center			Service Unit	Maximum Rate	
	Statewide	Self Determination	Arlington			
Occupational Therapy Assessment and Plan Development Rate 1	6Z721	9Z721	6Z721Q	Per day	\$288.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Occupational Therapy Assessment and Plan Development Rate 2	6Z722	9Z722	6Z722Q	Per day	\$383.04	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Occupational Therapy Assessment and Plan Development Rate 3	6Z723	9Z723	6Z723Q	Per day	\$430.56	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
Occupational Therapy Assessment and Plan Development Rate 1 for Assistive Technology/Specialized Medical Equipment	6Z731	9Z731	6Z731Q	Per day	\$288.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Occupational Therapy Assessment and Plan Development Rate 2 for Assistive Technology/Specialized Medical Equipment	6Z732	9Z732	6Z732Q	Per day	\$383.04	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Occupational Therapy Assessment and Plan Development Rate 3 for Assistive Technology/Specialized Medical Equipment	6Z733	9Z733	6Z733Q	Per day	\$430.56	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider. These cost centers can only be billed by Occupational Therapy providers who have been specially approved by DMRS to bill these cost centers.

Waiver Service	Cost Center			Service Unit	Maximum Rate	
	Statewide	Self Determination	Arlington			
Orientation and Mobility Training Assessment & Plan Development Rate 1	6Z921	9Z921	6Z921Q	Per day	\$260.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Orientation and Mobility Training Assessment & Plan Development Rate 2	6Z922	9Z922	6Z922Q	Per day	\$340.00	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Orientation and Mobility Training Assessment & Plan Development Rate 3	6Z923	9Z923	6Z923Q	Per day	\$388.00	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
Orientation and Mobility Training Rate 1 (excluding assessments with plan development)	6Z911	9Z911	6Z911Q	Per 15 minutes	\$16.25	
Orientation and Mobility Training Rate 2 (excluding assessments with plan development)	6Z912	9Z912	6Z912Q	Per 15 minutes	\$21.25	The service recipient is limited to a maximum of 52 hours of Orientation and Mobility Training services other than assessments services per calendar year.
Orientation and Mobility Training Rate 3 (excluding assessments with plan development)	6Z913	9Z913	6Z913Q	Per 15 minutes	\$24.25	

Waiver Service	Cost Center			Service Unit	Maximum Rate	Comment
	Statewide	Self Determination	Arlington			
Physical Therapy Assessment and Plan Development Rate 1	6Z821	9Z821	6Z821Q	Per day	\$300.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Physical Therapy Assessment and Plan Development Rate 2	6Z822	9Z822	6Z822Q	Per day	\$399.00	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Physical Therapy Assessment and Plan Development Rate 3	6Z823	9Z823	6Z823Q	Per day	\$448.50	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
Physical Therapy Assessment and Plan Development Rate 1 for Assistive Technology/Specialized Medical Equip.	6Z831	9Z831	6Z831Q	Per day	\$300.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Physical Therapy Assessment and Plan Development Rate 2 for Assistive Technology/Specialized Medical Equip.	6Z832	9Z832	6Z832Q	Per day	\$399.00	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Physical Therapy Assessment and Plan Development Rate 3 for Assistive Technology/Specialized Medical Equip.	6Z833	9Z833	6Z833Q	Per day	\$448.50	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider. These cost centers can only be billed by Occupational Therapy providers who have been specially approved by DMRS to bill these cost centers.

Waiver Service	Cost Center			Service Unit	Maximum Rate	Comment
	Statewide	Self Determination	Arlington			
Speech, Language, and Hearing Services Assessment and Plan Development Rate 1	6Z621	9Z621	6Z621Q	Per day	\$276.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Speech, Language, and Hearing Services Assessment and Plan Development Rate 2	6Z622	9Z622	6Z622Q	Per day	\$367.08	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Speech, Language, and Hearing Services Assessment and Plan Development Rate 3	6Z623	9Z623	6Z623Q	Per day	\$412.62	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
Speech, Language, and Hearing Services Assessment and Plan Development Rate 1 for Assistive Technology/Specialized Medical Equip.	6Z631	9Z631	6Z631Q	Per day	\$276.00	All ISP's submitted to the Regional Office on or after October 1, 2006, will be required to be submitted using the new "per day" service unit instead of "per 15 minutes".
Speech, Language, and Hearing Services Assessment and Plan Development Rate 2 for Assistive Technology/Specialized Medical Equip.	6Z632	9Z632	6Z632Q	Per day	\$367.08	Prior to October 1, 2006, continue to submit ISP's using the "per 15 minutes" service unit. (July and August billing will have to be reconciled later.)
Speech, Language, and Hearing Services Assessment and Plan Development Rate 3 for Assistive Technology/Specialized Medical Equip.	6Z633	9Z633	6Z633Q	Per day	\$412.62	The service recipient is limited to one assessment per month with a maximum of 3 assessments per calendar year per provider.
						These cost centers can only be billed by Occupational Therapy providers who have been specially approved by DMRS to bill these cost centers.